

## **An Overview of Daviess County's 2016 Annual Trending April 20, 2016**

The following steps were taken to conduct the 2016 annual trending in Daviess County:

### **Step 1: Re-Delineation of Neighborhoods**

The vast majority of neighborhoods in Daviess County were completely re-examined and, where necessary, re-delineated for annual trending in 2006. Additional re-delineation of some neighborhoods has occurred each year thereafter as further analysis indicated such action was appropriate.

### **Step 2: Calculation of New Land Values\*\***

As required in the General Reassessment, new land values were established in July, 2011 and have been implemented since that time. No other changes have been made to the land order since that time, except in neighborhood where those residential and commercial neighborhoods warranted a rate change because of sales data.

### **Step 3: Calculation of New Residential Factors & Residential Studies\*\***

Daviess County implemented the depreciation change to base year 2016, and the location cost multiplier was changed from .86 to .89 per the Department of Local Government Finance. Further, a preliminary ratio study was then conducted for improved residential properties at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new neighborhood factor. In some instances, especially in rural areas of Daviess County, the preliminary ratio study indicated that assessments were both accurate and uniform. In other neighborhoods, further review was required.

### **Step 4: Updated Commercial & Industrial Improvement Values\*\***

Daviess County depreciation base year to 2016 and the location cost multiplier was changed from .86 to .89 per the Department of Local Government Finance.

**\*\*Please note that the period of time from which sales were used for this ratio study was from 1/1/2014 to 12/31/2015. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for vacant residential, all commercial property, and all industrial property in Daviess County, sufficient usable sales data was not yielded even when attempting to expand the sales window back to 2011. 2014 sales were used in the ratio study, but a need for time adjustment was not indicated from data analysis.**